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Secta. IX-27—100,000—21.2.48.

1948

Finca Development **(1948) Department**

Mc **SERIES.**

G.O. No. 347

Dated 14-4-1948

[Despatch Abstract.]

Rural Reconstruction - Scheme of New Expenditure for Observance of New Service Procedure - Minutes of H.M. (Education) Papers Recorded

C.No. 197 F.D. I/48 Firka Development Department (I)

Extracts of the Minutes of the H.M.(Edn) from the file bearing C.No.3120/47

"One does not know what is happening in the Firka Scheme. They may be asked to get sanction in Part II Schemes for whatever they would like to do in the year and then they need not have to come before the standing Finande Committee. For the present, I shall be glad if I can have an idea of what is being done for the Firka Development Schemes, what schemes have been taken up and what money has been spent upto-date till now".

XX XX T.S.Avinashilingam Chettiar/6.1.48.

"I would like to have a report of the work done in the course of the year and also the income received out of the Khadi production a and the net expenditure to Government".

T.S. Avinashilingam Chettiar/16-2-48.

To: D.S.

Submitted that H.M.(Education) desires to have an idea of what is being done for the Firka Development Scheme, what schemes have been taken up and what money has been spent up-to-date till now. The Firka Development activities consists of (1) General Rural Reconstruction in the 27 selected firkas and 7 Centres (2) Development of Cottage and Village Industries in selected areas and (3) Khadi Scheme Intensive and Extensive. A note on each of these schemes is put up at Flag 'U'. H.M. has also ordered that a report should be furnished of the Khadi work done in the course of the year and the income received out of the Khadi production and the net expenditure to Government This has also been included in the note. The file may be circulated to Hon. Premier and H.M. (Education).

C-opy of the note at (U) may be circulated to other H.Ms. also for information.

Sd/- B-P. Ramasawamy Reddiar
Hon. Premier/18.3.

Sd/- Hon. Minister for (Education)

Firka Development Department

M on page 1 ante.

Submitted that a copy of the note in question has been circulated to all other Hon. Ministers also for information. No further action is necessary in this file. For orders whether the papers may be recorded as a G.O.Ms.No. 347 dated 14th June 1948.

Sd/-x x x x x

Subject:

Rural Reconstruction - Schemes of now Expenditure Non-observance of New Service procedure - Minutes of H.M. (Education) - Papers Recorded.

S. Jayaraman 16.3.4.
Office Assistant.
Madras Record Office

A NOTE OR RURAL RECONSTRUCTION SCHEME IN SELECTED FIRKAS AND CENTRES.

In pursuance of this policy to improve Rural conditions the Government have selected 34 firkas and centres in the Presidency to carry on their intensive Rural Reconstruction work. A list of the 34 firkas and centres selected for intensive Rural Reconstruction work is put up in Annexure I. To start with, it is the intention of the Government to make each selected firka and centre self-sufficient in the matter of food and clothing and other necessities of life. It has also been decided to revive or develop as the case may be and pay special attention to the improvement of village Industries essential for the life of village communities. The selection of the firkas was based on considerations of general backwardness of the firka in regard to communications, sanitation, lighting, Water supply, etc., presence of electric installations in or within easy reach of the firka; presence of favourable conditions for intensifying the production of hand-loom cloth and for the development of other Cottage Industries etc., etc.

The Collector of the district has been placed in direct charge and is primarily responsibile for the successful working of the Rural Reconstruction Scheme in his district. Each selected firka is in charge of a Firka Development Officer of the rank of a Deputy Tahsildar and under him there are village Development Officers of the rank of Revenue Inspectors one for each of the four or five groups of villages into which each selected firka has been divided. The necessary subordinate staff have also been provided for.

The Provincial Firka Development Officer of the status of the head of a Department has been appointed to be in direct charge of the Government's Scheme of Rural Reconstruction and Khadi and Cottage Industries in the selected areas. He is responsibile for the proper execution of the Scheme. The Provincial Firka Development Officer is at present assisted by a Regional Firka Development Officer (North) in the executive side of things. The Regional Firka Development Officer is in charge of the northern districts of the Presidency.

A short summary of the work aactually done is given below:-

An exhaustive questionnaire (Annexure II) has been prepared for taking a survey of the villages and their needs in the selected areas. In the lines indicated in the questionnaire complete co-ordinated plans for the development of firkas have been prepared by the authorities in respect of 25 firkas and centres. The Question of taking up the various improvements suggested in the co-ordinated plans is separately under consideration. Meanwhile, Government have given first preference to certain improvements like electrification schemes, Rural Water-supply communications, etc. The supply of electric power to the selected areas is receiving high priority. The Government have also undertaken to subsidise the deficits arising out of unremunerative electrification scheme of certain firkas and centres. The probable annual deficits likely to be subsidised from out of the fund for Village Reconstruction and Harijan Uplift will be to the tune of Rs. 2 lakhs. Renumerative Electrification schemes costing over 11 lakhs of rupees have been sanctioned upto the middle of October 1947. Upto-date particulars are awaited from the Electricity Department Unremunerative electrification schemes costing about Rs. 2,20,000/- have also been so far sanctioned. Several more schemes are under scrutiny. Attempts at improving the existing irrigational facilities are also being made.

Necessary instructions in respect of measures necessary for cattle improvement and breeding facilities in the areas selected for intensive Rural Reconstruction work have been issued by the Director of Veterinary Services to the District Veterinary Officers.

Sanction has been accorded for the opening of an Ayurvedic Veterinary Dispensary during the current year in the Dendulur Firka (West Godavari District) at a cost not exceeding Rs. 1,200/-. The dispensary has been opened at Jogannapalem from 1.1.1948.

The Government are also considering the question of opening Multi-purpose Co-operative Societies in some atleast of the firkas ar centres selected for intensive Rural Reconstruction work. The intention is that after watching the success of the scheme it should be gradually extended to other areas. The proposed societies will dispe se credit, assist the villagers in the marketing of agricultural produce, purchase of the necessaries of life including agricultural requisites and supply of raw materials to village artizans and crafts men. They will help them in the marketing of their wares, take activ part in agricultural and industrial (Cottage and Subsidiary) development and improve social life and habits by checking extravagance and promoting habits of thrift, etc.

It has also been proposed to have a depot at the headquarters of each of the firkas and cen res where the requirements of the villa gers like agricultural implements, tools, seeds, manure, yarn, etc., will be stored for distribution to the villagers. These depots are t be housed in M.B. sheds or Lahore sheds or Twin Nissen huts. In the following firkas the erection of these sheds has been compeleted.

(1) Palladam(Coimbatore District) (2) Tiruvellore (Chingleput Distric (3) Tirumangalam (Madura District) (4) Malli (Ramnad District) (5) Musiri (Trichinopoly District) (6) Shermadevi (Tinnevelly District) and (7) Saliamangalam (Tanjore District) (8) Hindupur (Anantapur Dt.)

In order to cater to the needs of school children and litera adults, the Government have sanctioned the opening of Central Librari in 25 selected firkas with branch libraries in each of the villages o the Firkas.

With a view to improve the lot of the villagers the Governmen have sanctioned sums of Rs. 50,000/- for each firkas or Centre for making improvements, under Rural Water-supply and communications. To avoid the necessity of going up to Government even in respect of mino items of work a block grant of Rs. 10,000/- in respect of each firka o centre has been placed at the disposal of each Collector to meet urgent but minor items of work such as widening or improving of small foot-paths, construction of small culverts, closing or opening of sma channel, etc. Another annual lump sum grant of Rs. 10,000/- in respec of all the firkas and Centres has been placed at the disposal of the Provincial Firka Development Officer for similar purposes.

Prohibition has been extended to the Firkas selected for Rural Reconstruction. All toddy, arrack, opium shops have been ordered to l closed.

A summary of the work done by the Firka Development Staff of their own initiative is put at flag (M).

A Provincial Firka Development Board to formulateand frame sch schemes of Rural econstruction has been constituted. The Board comprises of officials and non-officials. This Board first met on 19-10 19.10-'47. The sub-committee of experts appointed by the Board compri sing among others Dr. J.C. Kumarappa and Sri G. Ramachandran has drawn up an overall plan of Rural Reconstruction, the object of which is to organise the villagers for a happier more prosperous and fuller life in wheich the individual villager will have the opportunity to develop both as an individual and as a unit of a well integrated society. The general scheme for firka Development work has been divieded into four parts, viz., (I) General Plan of work, (II) Schemes for training of workers (III) Supervision and Inspection (IV) Concluding observatio and certain suggestions. The report of the sub-committee is put at (A The implementations of this plan is separately under the consideration of the Government.

Firka Development Committees to implement the schemes of Rural Reconstruction Scheme have also been constituted in each firka or cent

The Government have constituted a special fund and have transf red a sum of Rs. 4 crores from the Revenue account. Out of this sum of Rs. 4 cerores, one cerere is intended for Harijan Uplift and the remain three crores are intended for general schemes of Rural Reconstruction including the Scheme of Khadi production. The intention is to draw the sum of money necessary for implementing the scheme as and when the are ready and to make available the unspent balance if any, for

for expenditure in future years. The total expenditure respect of Rural Reconstruction scheme upto the end of Jan from the beginning of the scheme is Rs. 4,99,099-8-11., 6,10,2.

Originally the idea of Government was that complete co-ordinated plans of development should be drawn up in respect of each firka or centre detailing the various needs of improvement called for in each firka or centre. But the Government have now decided that improvements under 'Communications', 'Rural Water Supply' should be taken up immediately as they are the immediate and urgent needs. The Collectors have however been requested to furnish urgently wherever necessary estimates of cost involved in respect of schemes of improvements such as Education, Public Health, Medical Veterinary, etc. other than are received from them an estimate is proposed to be prepared and detailed particulars incopporated in the budget to be prepared in this regard.

The intensive Rural Reconstruction scheme has generally been approved by the Government of India and will be eligible for financial assistance from the Central grants.

Note on Cottage Industries.

In the middle of December 1946, Government sanctioned a scheme (G.O.Ms.No;4591 Development dated 14.12.46) for the development of Cottage and Village Industries in the 25 firkas, then selected for the intensive Rural Reconstruction scheme. The salient features of the Scheme consisted in the opening of demonstration and training units, reorganising industrial and Commercial Museums and providing financial assistance to Cottage Industrialists.

It was decided that Thirtytwo industries should be taken on hand for development, the items to be worked in in each of the firkas having been specified in the Annexure to the G.O. It was proposed to open demonstrction and training units, about 200 in number, in respect of these thirty two Cottage Industries to train local workers in upto-date methods of manufacture of on a cottage industry basis. The staff necessary to carry out the scheme was also sanctioned. The Director of Industries and Commerce awas also empowered to incur expenditure on the provision of midday meals to the trainees. By way of affording a further inducement to join the training course and to enable the trainees to put their heart in the course and turn out articles of good quality and finish, the schme permitted the distribution of 25% of the recoveries effected by the sale of articles produced in the units to the trainees. As a follow up programme provision was made for the grant of loans, subsidy and scholarships to the trainees after the completion of the training. The scheme involved a non-recurring expenditure of Rs. 14,56,580 and a recurring expenditure of Rs. 29.75,000 but if the expected total receipts from the sale of articles, the grant of bonus and the provision for the follow up programme were taken into account the net recurring expenditurewas estimated to come to Rs. 23,59,000 this to give training to as many as 3900 candidates.

By about April 1947, 114 technical personnel (instructros and demonstrators) 10 Supervisors and two Pottery Development Officers were recruited for organising the training units. These people were given training for two weeks in the different technical institutions of the department of Industries notably the Central Polytechnic, the School of Arts and Crafts (Ceramic Section), Instutute of Leather Technology, Government Textile Institute etc. On the completion of the training they were attached to the various District Industries Officers and Assistant Industrial Engineers for the preliminary work connected work connected with the establishment of training units. Forty-three demonstration and training units in different Cottage Industries (Potte (9 units) Blacksmithy (13 units) Woodwork (9 units) boat-building (one unit); Rattan and Bamboo work (2 units), Light metal easting (3 units) Sheet metal work (one unit); Handmade paper (one unit) and toys and lacquer work (one unit) are functioning at present in different parts of the Province. 550 candidates are now undergoing training. It may also be mentioned that training was imparted in fish farming in the Musiri Firka of the Trichy District. As a result of the training given in boat-building at Calingapatam in the Gara Firka, Vizagapatam distric thirteen boats were constructed and have been launched. The handmade paper unit at Tiruvengimalai in Musiri Firka manafactured about 12 reams of paper of good quality. The wood work unit at Kalasapakam (North Arcot District) has manufactured and supplied furniture required for three units such as work benches, stool boxes, while that at Tiru-

at Tirumangalam Firka has manufactured tables, stools and benches fc sale to Government Officers. Blacksmithy units at Nagari and Shermad vi have manufactured articles of domestic utility. Leather goods mar facturing units at Kurnool and Bezwada are producing Chappals, money purses hand bags, cushions and spectacle cases. The Pottery Units at Shermadevi and Kurnool are turning out useful articles and it is repc ed that the Kurnool unit has won a prize in the Rural Reconstruction Exhibition. The Director of Industries and Commerce has made arrange ments for the manufacture of most of the agt agricultural implements in the blacksmithy with unit at Tirumangalam by employing additional labour in the unit. It is expected that by enlarging the activities the blacksmithy unit in this way the whole unit may be made ultimatel self-supporting. If this experiment proves a success, the activities of the various blacksmithy units located in other firkas will also be extended in that line. Quotations for the supply of tools and equip- ment required for the training units were obtained from local firms and orders to the value of over Rs. 2.5 lakhs were placed. Deliveries of materials to the value of about Rs. 1,32,122 have been effected up end of January 1948.

Upto end of December 1947 (figures for January '48 are not ye available) an expenditure of Rs. 2,02,300 has been incurred on the run ning of the demonstration units.

The details of the expenditure incurred upto the end of 1947 under the budget heads are furnished below:-

Pay of Officers	Rs.	2,130-0-0
Pay of establishment		32,670-6-0
Travelling allowance		2,015-15-0
Dearness allowance and cost of living allowance		11,061-4-0
Petty construction and repairs		268-8-0
Equipment and Tools		1,20,930-4-6
Raw materials		10,141-3-6
Stipends		7,323-11-10
**Other contingencies		15,757-12-5
Bonus to trainees		---
		2,02,299-1-3
	or Rs.	2,02,300-0-3

**Wages	1,794-14-0
Rent	1,373-13-0
Dearness allowance to menials	549-0-0
Canteens	5,374-11-6
Miscellaneous	6,665-5-11
	15,757-12-5

The Director of Industries and Commerce (Mr. Raju), however, reported to the Government in July 1947, that the whole scheme was fa too ambitious, that neither the pace of recruitment of the technical staff nor the availability of the candidates willing to undergo train- ing in the units justified the hopes entertained at first in regard t the scheme. Further it is reported that many of the Cottage Industrie selected have no local roots and that the stipend system has fallen f flat on the villagers. In the fact of the many fidd difficulties exp enced, the Director of Industries and Commerce submitted a revised scheme aiming at the development of six basic Cottage industries only namely, Blacksmithy, wood work, Pottery, Tanning and Leather goods manufacture, Sheet metal work and light metal casting. The Director of Industries and Commerce terminated the services of the Instructors etc., who could not be easily employed in the original scheme in the near future. The need for the supervisory and other staff was reviewe recently and further retrenchment has also been effected. The present Director of Industries and Commerce has been directed by the Hon'ble Premier, to tour the firkas and other important place and then formul proposals, to put both large scale and Cottage Industries on a firm footing. The Director of Industries and Commerce has promised

promised to submit a more practicable scheme and its receipt is awaited the report has been e received just now.

The progress reported above will however show thatthe Scheme originally laid down is being implemented wherever possible.

NOTE ON KHADI SCHEME

The scheme for the development of Khadi as an integral part o the comprehensive plan of the Government to make villages in the Province as far as possible self-sufficient working units, was approve by Government In G.O.Ms.No. 4678, Development dated 23.12.1946. The scheme itself consists of two parts, nemely, Intensive and Extensive. It is the Intensive part that aims to achieve the ideal of self sufficiendy in clothing in terms of khadi and is being experimented in seven compact places known as centres, namely, Avanashi, Vellakoil Pulliankurichi in Tamil Nad, Notauratla, Guravareddipalem, Yerrangunda palem in Andhra area and Payyanur i n West Coat, where the A.I.S.A. had already done substantial work for the development of Khadi. The centres have been taken as going concerns from the A.I.S.A. and the scheme is implemtned with the assistance and technical advice of the A.I.S.A. The Centres are entirely manned by trained workers of the A.I.S.A. The salient features of the scheme may be described as follows:-

(a) Every family in the eantre is to be induced to equip itself with at least one Charka and contribute at laeast one efficient spinner, Government arranging for the supply of wooden and iron parts for Charkas at cost price and alao for the supply of cotton at cost price. The yarn spun in each village should be as far as possible be woven into cloth by weavers residing therein, every endeavour being made to increase the weaving capacity of the village.

(b) The Spinners are to be encouragad to get the yarn spun by them woven into cloth for the consumption of the family, an inducemen being given to them by Government in the shape of a small subsidy at a flat rate of 4 annas per yard, to cover a portion of thier weaving charges.

(c) All surplus yarn not utilised for the spinners' families is to be purchased by Government, got woven into cloth and made availa bel to persons residing in the centre at a price representing the cost of production plus 31/8% thereon representing overhead charges.

(d) Arrangements are to be made by Government for giving instr cgtions to spinners and weavers who require such instruction.

(e) As Government were aware that a good deal of propaganda would be necessary to inculdate the habit of self-reliance, as the idea of a self-spinning is nothing else, they had made provision in th scheme for the constitution of Centre and Village Khadi Committees, charged with the duty of doing house to house propaganda to create enthusiasm and necessary atmosphere for the Khadi Scheme. These Committees are to consist of non-offocials who are picked khadi enthus siasts.

Regular work commenced in the month of February 1947 in Tamil Nad and Kerala Centres and in April 1947 in Andhra Centres. After working the scheme for a few months, it was felt that the presente of the uncertified Khadi dealers (i.e. Private merchants not recognise by the A.I.S.A.) in the field would considerably hamper the implementa tion of the Government's Khadi scheme, as they tempted the spinners and took away the Khadi yarn spun by the people at High price. As the spinners were unable to resist the temptation of parting with their yarn to private merchants, Sri Jajuji, the representative of the A.I.S A.I.S.A. who toured these centres in the month of July 1947 stressed the paramount need to eliminate the activities of the private Khadi merchants in the intensive centres. This proposa, as well as the connected problems were discussed at a Conference presided over by the Hon'ble Premier held on 10-7-1947 in the Premier's Chamber and the Government d finally decided to eliminate the activities of all the private merchants doing business in the seven intensive centres, thei respective 10 miles belt areas, and from the A.I.S.A. production centres of Tiruppur

(Coimbatore district) and Kanagala (Guntur district). It was also decided that the supply of mill cloth in four out of the seven centre should be stopped and the handlooms working on mill yarn as well as the hand-loom cloth shops should be reduced in all the seven centres. It was also felt that the procedure for the grant of subsidy to self-spinners should be liberalised, in order to enable self-spinners who periodically deposit a portion of the yarn spun by them or by member of their families with the Centre Khadi Officer and other spinners who are prepared to give to at one and the same time all the yarn required for weaving the cloth, to get the concession instead of the grant of 4 annas per sq square yeard only on the production of cloth, entailing as it did, the accumulation of yarn for weaving 10 yards of cloth. The Government have ordered in September 1947 that subsidy at the rate of nine pies per hank of self-spun yarn deposited with the Centre Khadi Officer, be paid. (This works out to 0-3-9 per square yard). Thus there is no additional financial incidence in this revised procedure.

Upto 31-12-1947, 35 Sub-Centres have been opened as against 4 intended in the scheme to be opened by the end of 1947-1948.

A brief review of the work done in the centres from the incep tion of the Scheme upto 31-12-1947 may be given under the following heads.

(i) Supply of Charkes.

As already pointed out, planting of at least one charka in every family is almost the first item in the scheme. With that end in view Government have laid down that the charkas and other accessories should be supplied to the families residing in the centres at cost price, but in the case of Harijans and other persohs as to whose poverty the Village Committees a satisfy the Centre Khadi Officer, th price should be recovered in not more than twelve monthly instalments The actual expenditure incurred upto 31-12-1947, on the purchase of charkas and other implementas comes to Rs. 28,192-7-12 and the total receipts by their sale to the people in the centres comes to Rs. 7,280-3-0 7,280-3-0. The charkas supplied by the Government conform to the Wardha model, (Verticla Charka with speed wheel arrangements). As the spinners in the centres have long been accustomed to country model w without speed wheel or the Kisan pattern, it is stated that propaganda will have to be done to induce people to take to Wardha model, which is said to secure greatest efficiency in spinning. This accounts for the rather slow distribution of charkas

(ii) Distribution of Cotton: -

A quantity of 2,82,181 lbs. of cotton was purchased during the year at a cost of Rs. 1,82,296/- for distribution to the spinners in th seven centres out of which a quantity of 1,44,158 lbs. was sold, the receipts being Rs. 1,08,730/--. The stock on hand at the current issue rates is estimated at Rs. 1,06,500/-. Government are therefore not likely to incur any loss in this transaction. The distribution of Cotton in Vellakoil, Kotauratla and Payyanur has been satisfactory. Erragondapalem however produces its own cotton and consequently the spinners there do not come up to the Government for the supply of cotton. In the other three centres, namely, Guravareddipalem, Puliankurichi and Avanashi, the distribution of cotton is said to be below expectations.

(iii) Yarn - Purchase and issue.

2,23,246 lbs. of yarn valued at Rs. 5,51,981/- was purchased from spinners out of which a quantity of 1,78,639 lbs. was issued to the weavers for being got woven into cloth. In Payyanmur an average of 2.2 lbs. of yarn output per month for each charka has been achieve while in the other centres except Puliankurichi and Guravareddipalem, the average output stands at 1.2 lbs.

In Vellakoil and Avanashi a number of charkas are said to be lying idle due to the elimination of uncertified khadi merchants unde whom they were hitherto working and steps will be taken to harness the to the Governments' Khaid Scheme.

(iv) Khadi Production:

The quantity of cloth produced in all the centres was 6,38,881 yards out of which a quanitytty of 1,71,920 yards was got woven by self-spinners. Out of the remaining 4,66,961 yards, 2,64,09 yards were disposed of, the value realised being Rs. 3,90,771/-.

(v) Subsidy:-

The subsidy paid to self-spinners in respect of the cloth got woven by them amounted to Rs. 41,198/- upto 31-12-1947. The major portion of subsidy paid (Rs.26,080) was drawn by the self-spinners at Yerragondapalem centre. It may be submitted in this connection th thatthe subsidy paid is the surest index of the progress of the scheme, as subsidy has been devised with a view to encourage self-spinnin and is strictly related to the hanks of genuine khadi yarn produced by the self-spinner of the members of his family. In fact the subsidy paid to the self-spinners will go a long way in helping the spinner to pay a portion of t e weaving wages to the weaver. Thus it has the double advantage of giving a fillip to self-spinners and of helping the weavers to get weaving wages to the weaver. Thus it has the double advantage of indirectly from the Government. In thi setting the expenditure shown in the book under this item can never be considered as a loss to the Government.

(vi) Training:-

As it was felt that the Khadi Scheme should be impleted with the help of trained personnel only Government as a vital part of thes Scheme made arrangements through A.I.S.A. at Government cost for the training of workers in 3 special courses, namely the Accelerated cours for 3 months in spinning, Khadi Pravesika Course (1 year course for khadi craft and science) Bunayi Karya Kartha Course (one year course in weaving). Ten institutions for imparting training in the first mentioned course and 2 in the second and 2 another in the third were programmed to be opened in different places in the Province. As the Scheme has not gained as much momentum as was originally hoped, the scope for absorbing the trained personnel turned out of the schools started for accelerated course in spinning for 3 months has somewhat become restricted. Consequently it has been decided to close all these schools for the present,. 490 male candidates and 181 lady candidates have so far been trained in this special course . In khadi Pravesika Course 18 Candidates have been trained. The Provincial Textile Commissioner has pointed out that persons trained in this course will be absorbed in the Intensive as well as Extensive Khadi areas. Only 5 candidates all from Andhra, have been trained in Bunayi Karya Kargha course. Apart from these 3 special courses, spinning classes have also been conducted in Payyanur while instructions for s self-carding and tunai are being given in Erragondapalem and Kotaurat-la. A sum of Rs. 72,723/- has been so far spent on training courses and in the light of the general opinion that money spent on education, either general or technical is money spent on the well being of the future citizens of the courtyy, this items also shouldbe appropriately considered as mony spent for the spread of teachnical education namely, handspinning.

(vii) Financial results:-

After taking into account the value of stocks, the net expenditure on the scheme comes to Rs. 1,90,000/- out of which Rs. 1,20,000/- was incurred on training courses, Exhibition, Publicity and subsidy, only Rs. 70,000/- having been spent on establishment and contigencies. The scheme was no doubt expected almost to pay its way - the expenditure on subsidy and on training courses alone, being the ultimat charge on the Government but as the scheme has not taken the strides it was expected to, owing to the non-elimination of private khadi dealers from the Intensive Centres and their belt areas and also lack of adequate propaganda among the public, the net expenditure stands at Rs. 1,90,000/- and not at Rs. 1,13,198/- (72,000 and 41,198 spent on training courses and subsidy respectively) as was originally anticipated.

General:-

Since the Government laid down their scheme in G.O.Ms.No. 4678 Development, dated 23.12.46, Government have issued the Madras have (Control) Order, 1947 in March 1947 with a view to regulate the

the production and sale of Khadi in the Province on sound lines. In order to bring about the proper atmosphere for the working of their Intensive Scheme they decided after a careful examination of the pros and cons in tConsultation with A.I.S.A. in september 1947 to eliminate the activities of private dealers in Khadi in the seven centres, and their respective belt areas of 10 miles, the production centres of Tirupur and Kanagala. As already pointed out they also issued orders to bring about the stoppage of distribution of mill cloth in four out of the seven centres and gradual reduction of handloomsworking on mill yarn in all the seven centres. They have also liberalised the procedure for the grant of subsidy to self-spinners as already pointed out at X 'A' on pages 12-13 ante. Government however, had a delicate task in implementing their order regarding elimination of private dealers. For wall over twnaty years many private dealers have been working in the Khadi field on their own lines. Although the emphasis came to be shifted from 'Commercial Khadi' to sefl-sufficiency khadi as a result of the new orientation given by the A.I.S.A. under the leadership of Gandhiji in 1944, the private merchants still continued to be in the field producing a lot of Khadi for commercial purposes. Government had had to reconcile the conflict of interests and they allowed 3 months time from Septemner 1947 to wind up their business in the intensive centre etc. Government however were not prepared to allow them to export the accumulated Khadi stocks outside the Province for sale. As the dealers had to find a ready market for their entire stocks at one and the same time locally, it was brought to the notice of the Government the hardships entailed on them and with a view to enlist their active co-operative to quit the field, Government extended the time for winding up the business of the private dealers upto 33-2-1948. As the elimination of the activities of the private dealers has been repeatedly stressed by Sri Jajudi of A.I.S.A. as the 'sine qua non' for the success of the Khadi Scheme it will be seen from the facts stated above that that condition precedent will begin to prevail only hereafter. It is therefore submitted that any attempt to evaluate the success of the scheme at present will be rather premature. As Government decided their policy only in Septamember, 1947, the Provincial Textile Commissioner could take up the administration of the Khadi Control Order on effective lines only in the closing months of 1947.

At the time of formulation of the scheme, the then Provincial Textile Commissioner (Sri Venkateswaran) laid very great stress on the need for propaganda in the intensive centres. This part of the scheme could hardly be said to have even commenced although the Committee have been formed. The Provincial Textile Commissioner points out that people have got to be weaned from a purely profit motive to one of self-reliance especially for basic needs like clothing. Now that the Government of India have lifted control over textiles, the Provincial Textile Commissioneris bereft of powers to implement the orders of this Government to stop the supply of mill cloth etc. in the Intensive centres, and he has suggested in another connection that it will be very unwise to embark upon any special legislation for this purpose. Government will have to depend more than ever on propaganda for it be success of their khadi scheme.

It may, however, be mentioned that after the Government took over the centres from the A.I.S.A., the development of Khadi has progressed satisfactorily, when compared to the output of Khadi in the previous year.

As regards the Extensive Khadi Scheme, no procise plan has yet been formulated. The Provincial Textile Commissioner was till recently in charge of this part of the scheme also. But it has been recently ordered that Extensive part of the Scheme should be hereafter administered by the P.F.D.O. A scheme for the development of Khadi in the 27 firkas selected for Rural Reconstruction Scheme, isbeing formulated

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List of the 34 Firkas and Centres Selected for Intensive Rural Reconstruction work.

District.		Firka & Centre.
Anantapur	(1)	Hindupur.
North Arcot	(2)	Kalasapakkam
South Arcot	(3)	Kadamduliyur
Bellary	(4)	Adur
Chingleput	(5)	Trivellore
Chittoor	(6)	Nagari
Coimbatore	(7)	Palladam.
"	(8)	Vellakoil
"	(9)	Avanashi
Cuddapah	(10)	Proddatur
East Godavari	(11)	Rajahmundry
West Godavari	(12)	Dendulur
"	(13)	Polavaram
Guntur	(14)	Ongole
"	(15)	Curuvareddipalem
S. Kanara	(16)	Kumble
Kistna	(17)	Bezwada
Kurnool	(18)	Kurnool
"	(19)	Yerragondapalem
Madura	(20)	Tirumangalam
Malabar	(21)	Tellicherry
"	(22)	Payyanur
Nellore	(23)	Kanppur
The Nilgiris	(24)	Kundah
Ramnad	(25)	Malli
Salem	(26)	Veerapandy
"	(27)	Puliankurichi
Tanjore	(28)	Sallamangalam
Tinnevelly	(29)	Srrimadevi
Trichinopoly	(30)	Musiri
Vizatapatam	(31)	Gara
"	(32)	Pendurthi
"	(33)	Madugula
"	(34)	Tuni cum Uratla.
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/True Copy/

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